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COAL INDUSTRY NEWS

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NEWS ROUNDUP

Sage Creek Coal Ltd. of Canada confirms it has **updated plans to operate two large open-pit coal mines in British Columbia** a few miles northwest of Glacier National Park. Bill Burge, Sage Creek's secretary, said a Stage 2 mining application (the Canadian equivalent of an environmental impact statement) has been submitted to the province's government. The company hopes to start the project this summer and reach full yearly production of 2.1 million tons in three years.

* * *

Progress in coal gasification continues, with the latest report coming from Conoco Coal Development Co. It termed "outstanding" the performance of Pittsburgh Seam No. 8 coal in a month-long test in West Germany. The coal, characteristic of billions of tons of Appalachian reserves, came from Consolidation Coal Co.'s Shoemaker Mine near Moundsville, W. Va., and was tested at an Oberhausen, West Germany, prototype plant licensed by Texaco Development Corp. and jointly operated by Ruhrchemie AG and Ruhrkohle AG.

In a separate announcement, the two German companies and Texaco said they have agreed to further develop the Texaco gasification process at Oberhausen as well as provide Texaco process licensees **process heat recovery and slurry preparation information** from the West German facility as well.

* * *

Meanwhile, Exxon Corp.'s research and engineering division says **Illinois coal has passed the liquefaction test.** Using the company-s donor solvent technoiogy, 47,000 tons ofthe coal was tested for more than 5,000 hours at Exxon's coal liquefaction pilot plant in Baytown, Texas. Project director W.R. Epperly said tests of Wyoming subbituminous and Texas lignite coals will be wrapped up next year.

* * *

Australian miners ended their two-week strike Jan. 29 and accepted a pay package including a $35 per week pay raise and $28 weekly travelling allowance. Settlement came after private mine owners in New South Wales an Queensland agreed to match a wage offer by the New South Wales government, the biggest area coal mine employer.

* * *

Adams Resources and Energy Inc. of Houston tentatively agreed to sell a coal mining subsidiary to Kaneb Services Inc. for $10 million as part of its **plans to dispose of three coal**

(Continued on page 4)

Reagan Asks Deep '83 Coal Budget Cuts

By Donna Smith

WASHINGTON — Federal coal research and development spending in fiscal 1983 will be slashed to about one-third of its fiscal 1982 level under a budget request President Reagan is expected to send Congress today.

Out of a $11.8 billion budget request for the Department of Energy, including $2.1 billion for the Strategic Petroleum Reserve, the administration is to ask Congress for $106.9 million to be spent on fossil energy research and development. Some $90.8 million of that amount is to be earmarked for coal research and development projects.

Those figures compare with a fiscal 1982 fossil energy budget of $417 million, of which $366.8 million was earmarked for coal projects. DOE's fiscal 1982 budget was just over $13 billion, including $3.7 billion for the Strategic Petroleum Reserve.

Reflects Dismantlement

The budget to be sent to Congress is to reflect the administration's plan to dismantle DOE, with fossil fuel programs to be listed under the Commerce Department's budget. But Congressional budget planners will be provided a separate energy listing to help them in their deliberations, administration officials have said.

Two coal-related projects will be eliminated under President Reagan's budget proposal.

One is a research program on high temperature turbines and their applicability to coal gasification. The project was budgeted at $15.4 million in fiscal 1982 and will receive nothing under the proposed fiscal 1983 budget. The administration feels private industry is likely to research the engine as an evolution of work already being done in the turbine area.

The other is magnetohydrodynamics. The administration had targeted this program for elimination in fiscal 1982, but Congress approved $21.8 million to continue this research into electrical generation by passing super heated gasses from coal combustion through a magnetic field. The administration believes the big price tag, about $500 million for a test facility, is not worth the technology gains it might yield.

The administration proposes reducing the mining program to $1 million in fiscal 1983, a drastic cut from the fiscal 1982 budget of $11 million. The program was developed to improve mining productivity through research and testing of new technology. A DOE source said under current reorganization plans this program will ultimately be returned to the Bureau of Mines in the Department of Interior after an intermediate stop in the Commerce Department.

Liquefaction Cut

Coal liquefaction funds will be slashed to $26.2 million under the proposed fiscal 1983 budget, compared to $98.8 million in the fiscal 1982 budget. The administration hopes to turn over two large direct liquefaction pilot plants totally to private hands once the test programs are completed later this year. The projects are Exxon Donor Solvent plant at Baytown, Texas, and the H-Coal plant at Catlettsburg, Ky.

The fiscal 1983 budget proposal contains no money for the SRC-I project. The administration plans to complete economic and engineering feasibility studies by May in hopes of building a good case for Synthetic Fuels Corporation support. A DOE official said the administration does not expect to spend the entire $129 million that had been previously budgeted for the SRC-I project study.

The budget for the surface coal gasification project is set at $10.5 million under the fiscal 1983 proposal, down from $53 million in fiscal 1982. DOE will concentrate on basic research and the environmental aspects of the process and move away from development of any one process under the fiscal 1983 proposal.

Underground coal gasification programs will just about be eliminated under the proposed fiscal 1983 budget. The administration proposes to reduce the budget from $8.2 million in fiscal 1982 to $700,000 in fiscal 1982. The administration believes the private sector should commercialize the technology. The budget provides for continuing monitoring of the environmental impact at three test sites in Wyoming, Washington and West Virginia, as required by law.

Programs Linked

Emissions control technology and coal preperation will be linked for the first time in a federal budget although the overall figure will be reduced from $25.2 million in fiscal 1982 to $8.6 million in fiscal 1983. A DOE official said the goal of the program is to produce a coal with ash and sulfur con-

(Continued on page 23)

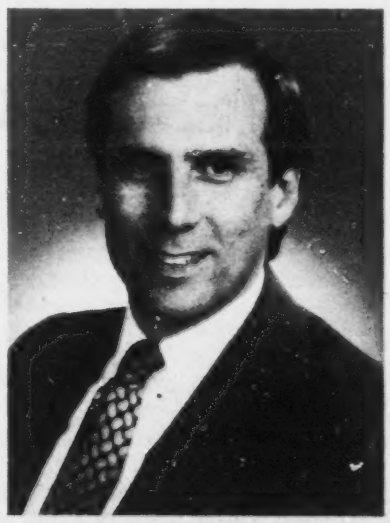
Pennsylvania Working to Rebuild Once-Formidable Anthracite Trade

By Andrea Scharf

HARRISBURG, Pa. — Production in Pennsylvania's lagging anthracite industry could double or even triple in the coming decade, despite the recent loss of a third of the Department of Defense contracts to supply coal to U.S. military installations in Europe. Growth is anticipated in exports to Europe and Asia, in anthracite-fired electric plants, and in small but steady increases in the domestic home heating market.

However, even a ten-fold increase would not bring production back to the 100 million ton apex of anthracite production reached in 1917, when 180,000 people worked in the industry. Although 60 million tons were still being mined just prior to World War II, the switch to oil and natural gas for home heating slashed the market and production fell to 5.4 million tons in 1980.

Since 96 percent of U.S. anthracite deposits are located in a 484 square mile area of Northeastern Pennsylvania, the effects of the drop were devastating, leaving some 32,000 people out of work in a landscape scarred with coal refuse and culm banks. Scranton, at the edge of the anthracite region, is the family home of William W. Scranton III, now Lt. Governor of the Commonwealth, and chairman of the Governor's Energy Council. His personal interest in the area and a desire to expand the somewhat limited role of the lieutenant governor's office, has led him to promote anthracite for home heating in New England, negotiate export agreements, and stimulate several Pennsylvania utilities to explore the possibility of building a new anthracite-fired generating plant at Tamaqua.



LT. GOV. William W. Scranton III seeks new markets for Pennsylvania anthracite.

Where It Goes

Two thirds of Pennsylvania's anthracite is used in New England, New York, New Jersey, and Pennsylvania itself. About half of this is used for home heating. Demand fell from 28.1 million tons in 1949 to 1.6 million tons in 1978, then began to climb slowly, but the dimension of that demand is hard

(Continued on page 4)

INSIDE

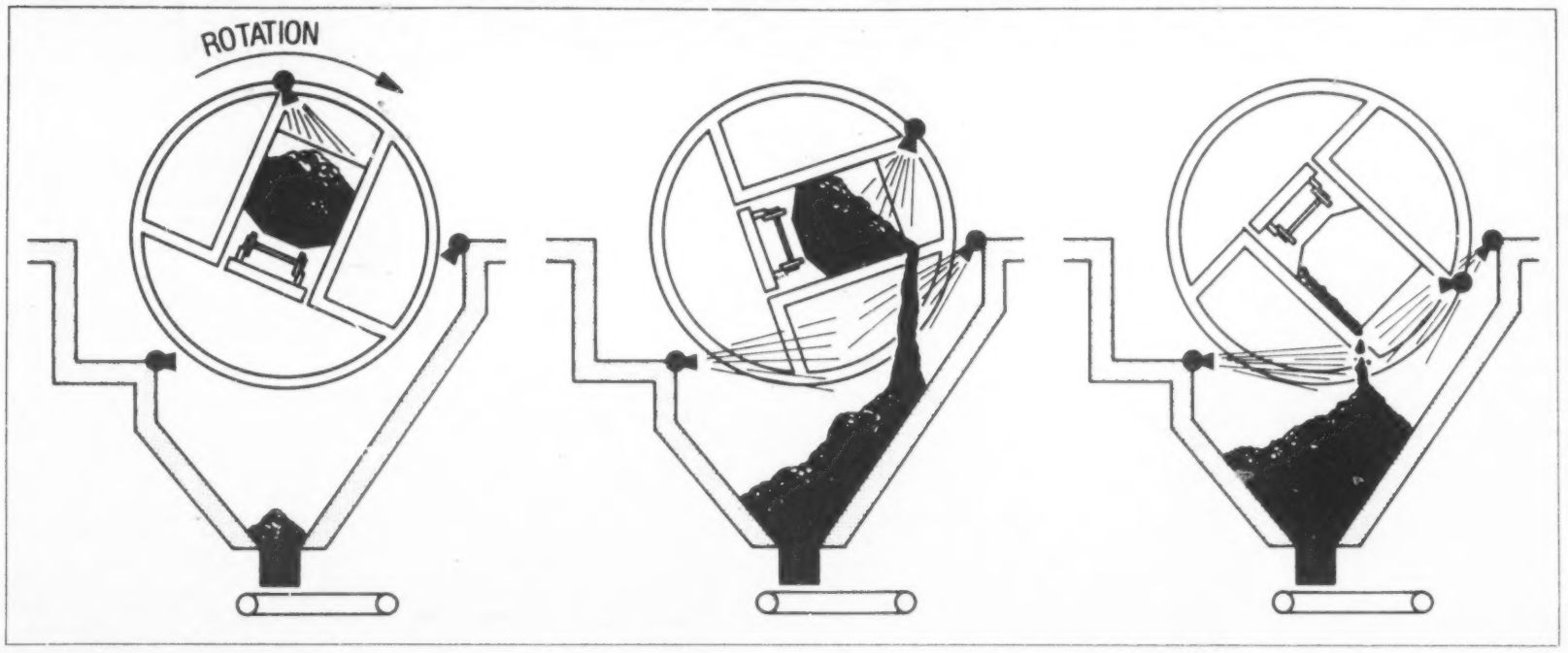
MINE SAFETY regulation enforcement is getting shortchanged by the Reagan administration, suggests United Mineworkers of America President Sam Church. **Commentary on page 3.**

INDIANS MAY TAX even when states already do so, the Supreme Court has ruled. Steve Marcy takes a look at what may happen as a result of the decision **on page 5.**

STEELMAKERS, among coal's leading customers, are trading barbs over imports as the 1981 figures emerge. Gene Smith examines both sides in an **Editor's Report on page 17.**

Special Section
CHEMICALS
Inside

CHEMICALS REPORT



WET SUPRESSION with the use of a surfacant offers obvious advantages over mechanical dust collection techniques in applications such as the rotary car dumping operation pictured above. Here, the open area is extremely large and up to 100 tons of coal falls into the hopper in about 20 seconds. Three parts of the dumping sequence are shown. As the car begins to dump, a low pressure spray wets the coal as it begins to roll. As the coal begins to drop into the undertrack hopper, high pressure sprays are activated at both sides of the hopper rim. A rear spray prevents a cloud of dust from escaping from the back of the hopper. An almost continuous moisture curtain confines the dust to the hopper area. More than co:finement is provided, however, as the sprays provide an important pretreatment for the coal.

No Universal Best Method

Surfacants Control Fugitive Dust While Offering Cost Advantages

By John M. Casteline

BECAUSE of environmental pressures and the increased amount of bulk materials being handled today, control of fugitive dust is of increasing concern to the coal industry and others involved with such materials.

But environmental regulations aren't the only factor. Fugitive dust can represent a loss of valuable product. It tends to increases wear of moving parts on equipment and can be a hazard to personnel.

Fugitive dust is that which escapes into the atmosphere without passing through a flue, pipe, stack or other structure designed for emissions into the atmosphere. Since it does not go through any well defined passageway, it is difficult to measure and to control.

The U.S. Environmental Protection Agency and state clean air agencies view such emissions as air pollutants. Personnel safety agencies such as the Mine Safety & Health Administration (MSHA) have rules about worker exposure to respirable fugitive dust particles under 10 microns.

As coal activities spread to more areas and expand in those in which they now operate, the concern over fugitive dust is likely to grow. New coal mines and loadout facilities are continually being opened in the western states. New transfer facilities are being built along the nation's rivers and coast lines. New coal receiving facilities are being incorporated into utility and industrial power plants throughout the United States. Soon, surface mined coal from Wyoming wll be shipped across the Atlantic Ocean from a port in New Jersey.

Dust Makers

This coal is being handled by front end loaders, bottom dump trucks, rotary car dumpers, barge unloaders and bucket wheel stacker-reclaimers. It is put through crushers, feeders, breakers, hoppers, screens and chutes and is carried over a seemingly endless array of conveyor belts. Each of these devices and handling steps has the potential for creating fugitive dust.

What is the best way of controlling dust at all these points? What is the most economical? Will all methods meet the requirements of the regulatory agencies? What method requires the least amount of maintenance? These are all questions which are being asked by both the designers and operators of transfer facilities.

Basically, all the methods of fugitive dust control for bulk material handling operations fall into four categories: (1) containment, (2) collection, (3) wet suppression, and (4) a combination of these.

THIS ARTICLE has been adapted from a paper presented at the 74th annual meeting of the Air Pollution Control Association by John M. Casteline, marketing manager, Johnson-March Corp., Philadelphia, Pa.

Containment is simply a mechanical means of confining the dust or preventing the wind from causing the dust to become airborne. Containment, by itself, is not a very efficient method of dust control since much dust escapes through cracks and openings. Hence, an air cleaning device, or dust collector, is used in conjunction with proper containment to prevent fugitive dust emissions.

It is important to note, however, that the purpose of the dust collector is not to remove all of the dust from the product stream, or even remove all the dust within the containment enclosure, but merely to filter the dust which could escape by ventilation.

Wet Suppression

The third method of fugitive dust control, wet suppression dust control, in most cases, meets environmental regulations and, at the same time, offers significant cost advantages.

In the simplest terms, wet suppression means wetting the material sufficiently to prevent airborne dust. The basic wet suppression technique controls dust in a number of ways:

- Confinement of dust within the dust producing area by a curtain of moisture.
- Wetting the dust by direct contact between the particles and droplets of moisture.
- Formation of agglomerates too heavy to remain airborne, or too heavy to become airborne, by combining small dust particles with each other and with droplets of liquid.

While water by itself could be used for wet suppression dust control, it does not provide sufficient wetting of the smaller particle size material. By adding a surfactant to the water, surface tension can be reduced, which allows easier wetting of smaller particle sizes.

Laboratory tests show that plain water will wet up to 95 percent of plus 325 mesh material but less than 50 percent of minus 325 mesh fraction on most material samples. Hydrophobic materials such as coal show zero percent wettability of minus 325 mesh material using plain water. With the addition of surfactant, 100 percent of all particle sizes are readily wet.

Chemical wet suppression has been in use for over 35 years, starting with experiments done by Johnson-March Corp. on retail coal trucks. Today, there are several different wet suppression techniques available.

By using the surfactant to change the physical characteristics of the water and by spraying it onto the material, the larger particles are completely coated and the smaller particles are drawn into the liquid droplets. Adequate dust control can be achieved with less than one percent moisture addition in most cases.

In standard material handling applications for crushers and feeders, the material can be treated so that the dust particles are wet before they become airborne. Once this treatment is accomplished, no further treatment is necessary unless new dry surfaces are created (such as through crushing) or the moisture is evaporated over time. This "carryover effect" has the unique benefit of controlling dust at loadout without the necessity of treatment at the loadout point itself.

Each wet suppression system is custom designed and sized to fit the application, but each is actually a special configuration of certain types of equipment. The basic equipment item types in a wet suppression system are the proportioner, flow controller, actuator and sprays.

The proportioner mixes water wtih the surfactant at a preset ratio, providing a continuously available capacity of mixed solution. The proportioner unit includes the solution pump (which pressurizes the entire system) as well as the holding tank, injection pump, and automatic controls. All components are neatly enclosed in one unit to fit the plant environment.

The flow controller is also enclosed in its own cabinet for ease of winterization. It contains the flow control solenoid valve as well as a strainer, manual valve and other piping components. The flow of the mixed solution from the proportioner to the sprays is

(Continued on page 15)

COMPARISON OF ROTARY CAR DUMPER DUST CONTROL METHODS

INITIAL COST	WET SUPPRESSION	FABRIC FILTER
Equipment (1)	$38,000.00	$163,000.00
Installation	$60,000.00	$260,000.00
	$98,000.00	$423,000.00
YEARLY OPERATING EXPENSE		
Power (2)	$240.00	$8,160.00
Chemicals (3)	$2,100.00	—
Bags (4)	—	$2,850.00
Replacement Parts	$400.00	$400.00
Maintenance Labor	$530.00	$1,590.00(5)
	$3,270.00	$13,000.00

NOTES:
(1) Rotary Car Dumper sized for 20 cars per hour. Wet Suppression at rotary car dumper only. Pump: 50 H.P. Fabric Filter - 120,000 cfm - 1200 ft.^{2} of cloth area - Fan: 300 H.P. - Compressor: 40 H.P.
(2) Assume 80 unit trains per year at 8 hrs. a piece of 640 hrs. per year. Assume, however, that 50 HP Wet Suppression pump will not operate at full load for more than 20% of the time. Assume electricity cost of $0.05 per KW-hr. One horsepower equals 0.75 KW-hr. per hr.
(3) Solution ratio: 1:3500, Application rate: 2 gallons of solution per ton, 800,000 tons per year, $5.25 per gallon of chemical.
(4) 250 polypropolene bags replaced.
(5) Includes bag replacement - 100 man hours.
Source: Johnson-March Corp.

Coal and Chemicals Attract Each Other

turned on and off by the flow controller based on the electrical signal received from the actuator.

Control actuators come in many forms. A simple under belt switch with a rolling wheel can detect the presence of material by belt deflection. When interlocked with the conveyor belt motor circuitry it provides a positive indictaion of material moving on the belt. Other actuators include paddle switches for feeders, current load detectors for crushers, or even sonic detectors at truck dump hoppers.

The Key Item

The spray nozzles are perhaps, the most important part of the system. Effective dust control can only be accomplished when flow capacities, pressure, spray angle and direction of the spray are all coordinated. The spray tip itself should be protected from flying material by a rugged, heavy duty casting.

Beside these four major types of components, other items might be necessary for proper system operation. For example, an automatic self-cleaning inlet filter, where water quality is a problem or heat tracing and insulation, where the system must operate under freezing conditions.

Wet suppression dust control offers advantages of low cost, ease of expansion to include new application points and the carryover effect mentioned previously.

The economical choice seems to be wet supression systems. However, one cannot ignore the problems of respirable dust in enclosed buildings or venting displaced air when a storage silo is filling. The truly practical alternative is actually the fourth method mentioned earlier, namely the combination system.

Good Example

An excellent example of the fourth approach is a coal receiving operation of a major southwestern power plant. A combination system has been installed at this facility for fugitive dust control. Wet suppression is used at the rotary car dumper and also at an emergency reclaim hopper where the large open area makes it the most economical choice. Venting through fabric filters — the most widely used method of dust collection for fugitive dust — is used in both the operation's sample house and crusher house to meet respirable dust limits set by MSHA. A small silo vent fabric filter is used on each of six silos.

By using the best method of dust control at each particular area of this coal handling operation and then combining the various methods into a functional system, the designer has not only met all requirements of governmental agencies, but at the same time has given the operator of the plant the most sensible and economical solution to fugitive dust control.

More and more, designers of large bulk materials handling facilities have come to realize that no one method of fugitive dust control is the answer by itself. Rather, a combination of wet suppression, containment, ventillation and fabricfilters has been shown to be the most effective solution.

Wet Suppression Can Form Team With Filter Units

(Continued on page 14)

piles and cuts back on the materials that normally go to the waste piles. It's called Floto 189 and we're most excited about it."

Dowell and Hercules are but two of the many manufacturers and suppliers of chemicals to the coal industry, of course. In the field of freeze fighting agents alone are included: Allied, DuPont, Union Carbide, Arco Chemical, DuBois, Agrandi, Barton, International Salt, Diamond Shamrock, Wen-Don, and Petrolite. The latter, a relative newcomer which has served the oil industry since 1911, boasts in its annual report to stockholders how it has "successfully penetrated the coal industry market." It now is offering freeze conditioning agents for both belt and rail moved coal, proudly proclaiming that its new side release agent for hopper cars can boost coal unloading up to 15 percent.

Dowell's freeze conditioning agent 185, which has received the prized Vaaler Awards top honor, lowers the physical strength of ice

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Diamond Shamrock Introduces New Flocculant Product Line

MORRISTOWN, NJ — A new line of flocculants for coal processing has been introduced by the Process Chemicals division of Diamond Shamrock.

Called Chromafloc, the line of water-soluble synthetic polymers removes suspended solids from process water as well as aids in the filtration and dewatering of ores. The products are also said to be highly efficient in treatment of mining wastewater streams, according to Eliot Burrows, project manager for the division's commercial development department.

As part of the new product line introduction, the division is engaged in a multi-million dollar capital equipment expansion program to produce the Chromafloc polymer series at its Charlotte, N.C. production facility.

Sales Force Up

The flocculant expansion program also includes an increase in the division's sales force to accelerate sales and marketing of the new product line.

Diamond Shamrock's Process Chemicals division, with 6 plants in the U.S., is a major producer of specialty chemicals for a dozen industries.

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COAL INDUSTRY NEWS

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EARNINGS REPORT

AMAX, INC. Greenwich, Conn. — Fourth quarter net income of $14 million, or 13 cents per share, on revenues of $681.4 million, compared to year-ago fourth quarter net income of $89 million, or $1.35 per share, on revenues of $704.6 million. For 1981, net income of $231 million or $3.31 per share, on revenues of $2.7 billion, compared to 1980 net income of $470 million, or $7.48 per share, on revenues of $2.9 billion. Energy earnings increased $17 million over 1980 despite fewer coal shipments due to United Mine Workers strike.

* * *

THE PITTSTON CO. Greenwich, Conn. — Preliminary fourth quarter net income of $27 million, or 72 cents per share, on revenues of $637.4 million, compared to year-ago fourth quarter net income of $17 million, or 45 cents per share, on revenues of $622.6 million. For 1981, preliminary net income of $42.7 million, or $1.13 per share, on revenues of $2.2 billion, compared to 1980 net income of $77.4 million, or $2.06 per share, on revenues of $2 billion. Earnings were down in the first half of 1981, but recovered during the second half on strength of better coal prices and 21 percent increase in tonnage shipped.

* * *

EMONS INDUSTRIES, INC. York, Pa. — Second quarter loss of $601,691, or (32) cents per share, on revenues of $4.6 million, compared to year-ago second quarter loss of $353,405, or (25) cents per share. For six month loss of $1.3 million, or (69) cents per share, on revenues of $9.3 million, compared to year-ago six month loss of $445,316, or (42) cents per share, on revenues of $8.1 million.

* * *

NIAGARA MOHAWK POWER CORP. Syracuse, N.Y. — Fourth quarter net income of $52 million, or 52 cents per share on revenues of $413.9 million, compared to year-ago fourth quarter net income of $37.7 million, or 41 cents per share, on revenues of $377.4 million. For 1981, net income of $220.6 million, or $2.35 per share, on revenues of $1.7 billion, compared to 1980 net income of $162.6 million, or $1.87 per share, on revenues of $1.3 billion.

Simmons Joins Union Pacific Corp.'s Board

NEW YORK — Richard D. Simmons, president of The Washington Post Co., was elected a director of Union Pacific Corp.

Before joining The Washington Post Co. in September, 1981, whose principal businesses are newspaper and magazine publishing, television broadcasting, video programming and production, and newsprint, Simmons served in a number of executive capacities at Dun and Bradstreet Corp. He joined the company in 1969 as vice president and general counsel, and served as a marketing account executive with Reuben H. Donnelley, Dun and Bradstreet's printing subsidiary, from 1972 to 1973.

Simmons became president of Dun and Bradstreet's Moody's Investors Service in 1973 and president of Dun and Bradstreet Inc. in 1975. A year later, he was elected exeuctive vice president of Dun and Bradstreet Corp., with responsibility for Dun and Bradstreet, Dun and Bradstreet International and Moody's. On January 1, 1979, Mr. Simmons was elected a vice chairman of the Dun and Bradstreet Corp.

Mr. Simmons began his business career as an associate in the New York City law firm of Satterlee and Stephens.

Portsmouth Pier Feasibility Linked with Rail Discounts

By Carl Cahill

NORFOLK, Va. — The financial feasibility of a proposed $250 million coal pier in Portsmouth may hinge on whether its users can get transportation discounts from the Chessie System and the Norfolk and Western Railway Co.

J. Robert Bray, executive director of the Virginia Port Authority, has told authority commissioners that coal company officials have told him discounts would be needed to insure the financial integrity of the state-owned terminal which could handle 18 million tons of coal a year.

The six coal companies negotiating with railway officials for discounts are Consolidation Coal Co., Pittston Co., Island Creek Coal Co., United Coal Co., Massey Co. and InterMountain Coal Co., Bray said.

One coal company exeuctive who asked not to be identified said his company is seeking guaranteed discounts of $1 to $1.50 a ton because the state-owned pier could save the railroads money.

Idea Behind Discounts

Coal companies say the rationale behind the discounts would be the railroads' ability to pull cars into the new terminal, dump within 24 hours and return the train to the coal field for a new load. Coal would be stored in piles for later dumping into ships, they said.

At the N&W and Chessie piers in Hampton Roads, coal is stored in rail cars until dumped, a procedure that can take thousands of rail cars out of circulation for weeks or months at a time.

"Each company is seeking a differential for hauling specifically to this terminal," Bray said. "We expect them to notify us of the result."

Bray added that each company must negotiate its rate independently to avoid charges of price-fixing. He said the companies are not seeking guaranteed rail rates but a discount rate which would apply if rail rates fluctuated in future years.

The Chessie System in 1980 offered a $1.50-a-ton discount to the developers of the Massey Coal Co. terminal at Newport News. That pier will open in 1983, will handle up to 15 million tons a year and will have on-site storage.

The six companies mentioned by Bray have already invested about $1 million in planning the pier and will advance additional funds later this year, he said.

Shippers pay about $14 a ton to more coal from Appalachian mines to Hampton Roads, a rate that has risen about 10 to 20 percent annually, according to Interstate Commerce Commission reports.

FACTS & FIGURES

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
Bituminous coal, low volatile blends to make coke No. 5213110	10/81	9/81	10/80	10/81	9/81	10/80	10/81	9/81	10/80
Japan	2,593,067	2,277,407	2,402,110	153,058,997	137,029,709	136,452,225	59.03	60.17	56.81
Italy	871,384	518,239	612,522	49,549,593	28,547,041	32,374,670	56.86	55.08	52.85
Canada	752,516	696,212	567,513	45,014,504	42,421,693	33,814,786	59.82	60.93	59.58
Brazil	379,313	223,739	358,564	23,559,244	14,061,312	20,834,785	62.11	62.85	58.11
Netherlands	374,238	138,214	367,790	22,303,149	7,894,456	18,431,465	59.60	57.11	50.11
Spain	321,531	331,942	302,177	18,468,471	19,129,968	15,154,806	57.44	57.63	50.15
Germany, F.R. (West)	311,685	293,212	177,637	17,652,879	16,841,182	9,001,460	56.64	57.44	50.67
Yugoslavia	248,559	189,078	151,848	14,682,901	10,453,735	7,398,295	59.07	55.29	48.72
Belgium	230,304	520,349	131,518	13,804,636	31,816,057	7,179,920	59.94	61.14	54.59
United Kingdom	221,791	80,319	205,205	12,341,066	4,653,507	10,859,058	55.64	57.94	52.92
Sweden	179,630	286,735	192,075	10,290,965	16,364,500	10,760,996	57.29	57.07	56.03
France	162,600	384,763	423,704	8,192,296	24,151,308	24,803,130	50.38	62.77	58.54
Total, above	6,646,618	5,940,209	5,892,663	388,918,701	353,364,458	327,065,596	58.51	59.49	55.50
Total, other nations	659,693	811,859	467,346	38,686,829	46,672,200	25,533,170	58.64	57.49	54.63
Total, all nations	7,306,311	6,752,068	6,360,009	427,605,530	400,036,668	352,598,766	58.53	59.25	55.44
Bituminous coal, others No. 5213120									
Canada	1,843,945	1,542,450	1,170,388	86,689,026	73,391,622	48,446,004	47.01	47.58	41.39
Japan	412,047	413,521	97,121	21,923,163	20,637,689	4,505,380	53.21	49.91	46.39
Denmark	407,216	369,687	194,711	17,419,052	15,736,966	10,006,454	42.78	42.57	51.39
Netherlands	384,815	237,733	175,696	18,350,747	10,972,791	8,051,967	47.69	46.16	45.83
Italy	287,729	442,062	48,022	14,856,718	20,590,324	1,863,285	51.63	46.58	38.80
China, Taiwan	268,884	299,261	121,241	11,069,108	12,400,219	4,637,157	41.17	41.44	38.25
Finland	229,136	220,369	51,334	10,284,888	10,240,682	2,035,228	44.89	46.47	39.65
Spain	226,556	253,817	113,067	10,720,124	12,042,260	4,558,519	47.32	47.44	40.32
France	184,354	305,198	228,936	7,831,877	14,051,274	9,789,487	42.48	46.04	42.76

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	10/81	9/81	10/80	10/81	9/81	10/80	10/81	9/81	10/80
Germany, F.R. (West)	145,700	291,961	101,675	6,449,267	14,557,644	5,025,489	44.26	49.86	49.43
Belgium	112,425	51,750	89,826	4,581,885	1,971,272	3,236,818	40.76	38.09	36.03
Total, above	4,502,807	4,427,809	2,392,016	210,175,855	206,592,743	102,155,788	46.68	46.66	42.71
Total, other nations	296,101	408,916	452,228	13,330,721	20,709,421	19,247,755	45.02	50.64	42.56
Total, all nations	4,798,908	4,836,725	2,844,244	223,506,576	227,302,164	121,403,543	46.57	47.00	46.68
Lignite No. 5213130									
Total, all nations	2,681	3,701	1,601	378,510	1,011,007	286,942	141.18	273.17	179.23
Coal coke for use as fuel No. 5213148									
Total, all nations	114,932	86,830	253,596	7,282,495	5,508,375	14,093,094	63.36	63.44	55.57
Petroleum coke, except calcined No. 5213150									
Japan	209,210	171,894	136,583	10,963,349	9,263,055	6,251,568	52.40	53.89	45.77
Netherlands	151,494	81,885	61,695	7,876,293	3,405,754	2,702,134	51.99	41.59	43.80
Canada	122,026	51,538	138,736	7,477,367	2,579,565	4,982,884	61.28	50.05	35.92
Total, above	482,730	305,317	337,014	26,317,009	15,248,374	13,936,586	54.52	49.94	41.35
Total, other nations	280,394	216,912	261,031	14,584,648	12,920,020	9,469,258	52.01	59.56	36.28
Total, all nations	763,124	522,229	598,045	40,901,657	28,168,394	23,405,844	53.60	53.94	39.14
Compositions for fuel No. 5213160									
Total, all nations	1,921	11,258	94	194,638	653,924	12,544	101.32	58.09	133.45
Anthracite No. 5213170									
Korea, Rep. (South)	166,654	133,105	81,071	6,421,454	4,504,668	3,159,707	38.53	33.84	38.97
Total, all nations	251,999	307,075	248,161	11,754,232	13,518,374	13,530,439	46.64	44.02	54.52

Baldridge Explains Rationale for Moving U.S. Energy Decision-Making

WASHINGTON — Placing energy policy in the cabinet department where domestic and international business policy is conducted makes more sense than keeping it within its own cabinet department or exiling it to an independent, sub-cabinet agency, Commerce Secretary Malcolm Baldrige contends.

Speaking before the annual membership meeting of the American Mining Congress, Baldrige said that commercial energy development should be driven by consumer requirements and the marketplace, "not by schemes of energy planners." It is far more logical to blend energy policy into overall economic and business policy, and Commerce is the department with control over business policy.

The Commerce Secretary said details of the transfer are continually submitted to Capitol Hill in an effort to win Congressional support, but he conceded the plan does not enjoy total support.

"We'll have some opposition, but I'm sure we'll get it done," Baldrige said.

Commerce plans to transfer about 7,000 employees from DOE and set them up under the Energy Research and Technology Administration, which will be divided between energy research and military functions. A deputy secretary will be in charge of the overall operation, and it will be the single largest function within the Commerce. "It will get top attention from me," Baldrige says.

Keeping ERTA within Commerce where it can "report directly to the president through a cabinet officer" maintains the importance of energy in the policy pecking order much better than if ERTA were an independent agency, Baldrige contends.

The inabilty of DOE to properly manage energy policy is another justification for the transfer, he indicated.

"A manager who really likes a challenge," Baldrige said, "gets as much of a kick out of walking into the energy department as a claims adjuster gets when he goes to a demolition derby.

"The Commerce Department has the management experience to make the energy functions work."

Commerce already has control over international trade and export policy, including coal, and will assume control over energy equipment and technology under the aegis of the International Trade Administration after the transfer.

Bulk of the DOE budget is research and development, which should meld nicely with functions of Commerce, Baldrige contends, since 25 percent of the Commerce budget is already devoted to research and development programs.

— Steve Marcy

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MS JEANNE LONG
CONGRESSIONAL INFO SVC
4520 EAST WEST HWY STE 800
WASHINGTON DC 20014

COAL INDUSTRY NEWS

FEBRUARY 22, 1982 *Coal's National Newspaper* Volume 6, Number 3 $1 a Copy; $24 a Year

NEWS ROUNDUP

A $10 billion "recovery fund" to finance job-creating projects in the United States is being contemplated by private Japanese businessmen with the backing of their government. What's being informally called "the Japanese Marshall Plan for the U.S." could possibly include **expansion of ports and coal-exporting facilities.** It will be outlined today to the National Governors' Conference by Kay Sugahara, a Japanese-American businessman who heads Fairfield-Maxwell Ltd. An apparent response to pressure on Japan to reduce its current $18 billion trade surplus with the United States, the plan would be the first modern instance of economic foreign aid for the United States, which normally gives instead of receives such assistance.

* * *

Rep. Henry Waxman, D-Calif., said Friday he will introduce **a liberal alternative to the administration-backed bipartisan bill revising Clean Air Act legislation.** Waxman, who chairs the House Subcommittee on Health and Environment, said his bill will be the markup vehicle on his subcommittee. Markup is scheduled to begin on Thursday.

* * *

Rising rail transportation costs, growing conservation efforts by the public, and more readily available natural gas and oil at lower prices have **clouded the development outlook for western coal,** a sales executive warned at the Colorado Mining Association's 85th National Western Mining Conference in Denver. Ross H. Forney of Stearns-Rogers Engineering Corp. also cited "shortsightedness" of state utility commissions, lower utility load growth projections and current clean air requirements as factors.

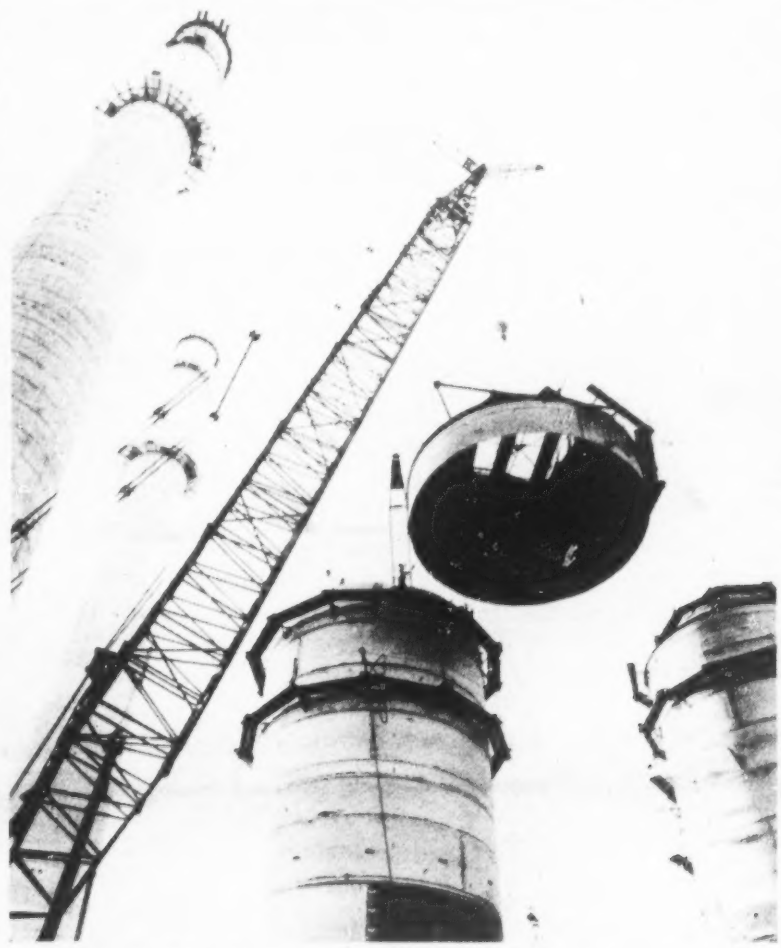
* * *

A major Greek cement company plans to invest **$200 million to switch from oil to coal.** Heracles General Cement will convert an existing plant to coal, construct a coal-fired plant and build a coal terminal. The company is currently buying U.S. coal, but officials said orders may be switched to other countries. They say **U.S. coal's advantages** are assured availability along with a price that is "competitive but no better." But U.S. coal's biggest problem is **continued congestion at key loading ports** which is causing Heracles to look at South Africa and Australia as alternatives.

* * *

Plans to develop **a floating coal export facility near New Orleans** are being shelved, according to the president of the two companies backing the project. James B. Sherwood says the project **is being set aside** until it can be estab-

(Continued on page 4)



A Gentle Nudge...And Up She Goes

SEVEN-TON TOP SECTION of a 105-foot tall absorber — part of the air pollution control system for Northern Indiana Public Service Co.'s Rollin M. Schafner power plant — is hoisted into place by a crane near Wheatfield, Ind. The four absorbers for each unit are part of FMC Corp.'s patented Double Alkali flue gas desulfurization system. Construction of Schahfner Units 17 and 18 is on schedule with first of two 400-megawatt boilers scheduled to start up in June 1983 and the second unit two years later.

Backer Cites Columbia River Port Potential

By T.W. Kienlen

PORTLAND, Ore. — James Anderson, chairman of the company committed to building a coal loading facility at the Port of Portland, challenges Western Governor's Policy Office (Westpo) findings that shipping export coal from Columbia River ports will be too expensive. No matter what critics say, he maintains that "plenty of coal" is going to be shipped out of the Port of Portland, especially, in so-called Panamax ships, those of 40,000 to 60,000 deadweight tons.

Pacific Coal Corp., a subsidiary of Anderson's American Guaranty Financial Corp., plans to build a $60 million coal facility at the Port of Portland by July 1983, six months earlier than anticipated.

The criticism objected to by Anderson was in a $400,000 Joint Study issued by the Western Coal Export Task Force, operating under the aegis of the governors' organization. The task force included representatives of both mainland China and Korea, 20

(Continued on page 24)

INSIDE

ACID RAIN STUDIES by federal agencies could produce "significant" results in three years, but the EPA warned that a strategy could be more elusive. **Story on page 4.**

FOUR UTAH TRACTS will be offered for lease by the Bureau of Land Management Thursday in Salt Lake City. That and other **Reports from our Correspondents on page 6.**

COAL SHIPMENTS helped push U.S. railroad earnings to a new high last year. Correspondent Robert E. Bedingfield offers some reasons why in a **Special Report starting on page 10.**

Special Section
TRANSPORT
Inside

Views Differ on Budget's Impact On Mine Safety

By Steve Marcy

WASHINGTON — A Reagan administration decision to restore $2 million in fiscal 1982 and to add $15 million to its fiscal 1983 budget request for mine safety programs may be too little too late, mine inspectors told Congress last week.

But Ford B. Ford, assistant Labor secretary for mine safety and health, said the budget restorations would increase the coal safety program level to 1,897 employees, up from the 1,574 assigned to the program as of Dec. 31.

Hugh Smith, a federal Mine Safety and Health Administration inspector operating out of Pikeville, Ky., and four colleagues told a House Operations subcommittee that coal operators, under the impression that the administration deregulation effort will end mine safety enforcement, are physically and verbally harassing inspectors, calling them "third-class citizens" and asking them how it feels to soon be out of a job.

MSHA headquarters has withdrawn its support, the group said, and exacerbated a morale problem already made serious by a Carter administration hiring freeze extending back to 1980 and continued by the Reagan administrtion. The attrition of inspectors has piled additional work on those remaining, lowering their morale still further and bringing about more retirees.

Programs are Suffering

The scramble to meet the required four inspections yearly of underground mines and two inspections yearly in surface mines, which nonetheless go unmet, has cut into training and other preventive programs, which needed upgrading anyway, the group said.

Smith said the group most prone to leave were the still young inspectors who had

(Continued on page 3)

Ironmaking Alternative Research Boost Urged

By Gene Smith

NEW YORK — Fordham University's noted "steel industry priest," Father William T. Hogan, S.J., has urged that a "high priority (be given) to research into coal-based direct reduction" as the ironmaking alternative to blast furnances.

This is a major finding of a 158-page Fordham University study conducted for the Department of Commerce by Father Hogan and his associate, Frank T. Koelble, at the university's Industrial Economics Research Institute.

The study concluded that while the domestic steel industry is committed to spending billions of dollars annually on its "revitalization program" in this decade, it will not be able to adopt direct reduction, "a fundamental ironmaking breakthrough now being applied at an accelerated pace by steel producers overseas."

(The American Iron and Steel Institute, the industry's trade association, reported last week that steel mill modernization programs announced by 35 companies since Election Day 1980 totalled $6.215 billion on Feb. 1. A year earlier, only eight companies had announced projects valued at just

(Continued on page 5)